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checkmate, or whether it will not seek to secure for itself lands beyond the sea, which it now lacks, at the expense of other powers, which are in possession of to the disadvantage of Germany.

Now, England, and more especially France, has colonies that seem to correspond to German needs.

That is why, in the last resort, the colonial problem of Germany is at bottom the problem of continental Europe; that is why it is one of the mightiest elements in world politics.

The book is divided into three parts, the first of which deals with the foundation of the German colonies, the second with the juristic condition of the colonies, and the third with a description of them, together with an exposition of their administrative organization and economic development. Each part is preceded by a careful introduction. Subjoined to the volume are numerous statistical tables, showing the various important items in the economic development of the German colonies. Several valuable maps also accompany the work.

M. Chéradame has, as a matter of course, handled his subject in a masterly way, with a keen insight and a judicial temper, which renders the book of great value to students of colonial affairs.

BURT ESTES HOWARD.

Municipal Ownership in Great Britain. By HUGO RICHARD MEYER. (New York: The Macmillan Company. 1906. Pp. 339.)

It might be interesting to gather together the views of the Belmonts, Ryans, Elkins, Weidners and other franchise owners on the question of municipal ownership. But it would not be a treatise on municipal ownership. Neither is the volume under review. It is, rather, an attempt to show the evil influence of State interference in any form with industry. The testimony of the Senate committee on interstate commerce, taken while the Hepburn rate bill was under discussion, would be very convincing to the railway officials who were called to testify to the exclusion of other witnesses. But it did not convince the country that anarchy and confusion would follow an attempt on the part of the government to regulate railway abuses.

Dr. Meyer has written a book which bears witness to the disapproval of municipal ownership by the financial interests of Great Britain. He has taken his material largely from the joint select parliamentary

committee on municipal trading and other committees, as well as the debates of Parliament. In fairness, it should have been stated that most of the witnesses and many of the members of Parliament were promoters, agents, directors or officers of private companies seeking franchises. And they were hardly qualified to pass upon the success or failure of municipal ownership in Great Britain.

This is a little strange, in view of the fact that the joint committee itself of 1901 and 1903, in two very voluminous reports, found little ground for such a finding. It limited its criticism almost wholly to objections to the method of accounting on the part of the municipalities. And this report was from a committee about as kindly disposed to the subject as the franchise corporations themselves, and which selected its witnesses much as the United States Senate selected its experts from among the railway presidents and attorneys in their hearings of last year.

The testimony of the cities is almost wholly the other way, as is public opinion. And the cities ought to be the best judges. For the English city is the most efficient political agency in Great Britain. And it is a rate payers' city. If municipal ownership had failed, the town councils would have speedily abandoned it. But there is no movement in Great Britain against municipal ownership. Quite the reverse. The cities are constantly enlarging their activities. All of the large cities, with the exception of Dublin, Edinburgh, Bristol and Coventry, own and operate their tramways. There are 101 municipal tramways both owned and operated; 334 public electric light undertakings; 260 public gas supplies, and 1045 public water companies.

And what have been the results? From Sir Henry Fowler's *Return of Reproductive Undertakings* brought up to the thirty-first day of March, 1902, it appears, taking 193 water works, 97 gas works, 102 electricity supplies, and 45 tramways, that they earned an average net profit (after the payment of interest, depreciation and debt repayment) of \$2,786,383. These same enterprises have reduced their indebtedness out of earnings to the extent of \$60,000,000, and have \$18,000,000 more in their sinking fund. Certainly, from the taxpayers' point of view, municipal ownership is not a failure.

This result has been achieved in the face of the fact that the cities have greatly reduced rates and charges, have improved the condition of their employees, have enlarged the service, and have otherwise made the industries serviceable to the people. And the people are

not complaining of municipal ownership. Their complaint, when made at all, is that the enterprises make too much money.

It is true, the English cities have made use of these industries for relieving the rates. For the English city is a taxpayers' city. And they have seen in these industries a means of relief from taxation. The gas supply of Manchester contributed \$291,990 to the relief of taxation in 1905. The city of Leicester contributed \$228,765, and the city of Birmingham, \$265,351. The tramways in the cities of Leeds, Manchester, Liverpool, Nottingham, Salford and Hull paid sums ranging from \$55,965 to \$253,058 to the common treasury.

Dr. Meyer admits that the English cities have made money from their undertakings. This can not be gainsaid, yet it is one of the things he complains of.

This is the most serious criticism that can be brought against municipal ownership in Great Britain. The policy of the cities has been too cautious. They have taken too great precaution for the future. They have forced the consumer to pay for his service, and contribute to the rates as well. The net result of this is that the taxpayers have taken what previously went to corporation dividends. And, as the English voter enjoys the suffrage because he is a taxpayer, the gain is a pretty universal one. At worst the class which is benefited has been greatly widened. Under private ownership the industries were operated for the benefit of a few thousand stockholders. Now, in England (for industries do not relieve the taxes in Scotland) they are operated for almost all of the people. And this is the ruling class in the towns. Trading is still conducted for a class, but it is a very large class.

But this has been accompanied by a marked decrease in charges and a great improvement in service. Street railway fares have been reduced from 30 to 40 per cent. below the charges of the private companies. The average charge per thousand cubic feet of the 260 public gas companies was 65 cents in 1904. The average charge of the 459 private companies for the same year was 71 cents. Many cities have a very much lower rate. Glasgow sells gas for 57 cents; Leeds for 52 cents; Belfast for 55 cents, and the little town of Widbes at from 38 cents to 22 cents. And the candle power of the public companies is equal to, if not greater, than that of the private companies. The volume under review says little if anything of these features.

From a financial point of view, municipal trading in Great Britain

has proved a great success. The saving to the people in reduced rates and public earnings is unquestioned. The only qualification of this uniform success is in the matter of the electricity supply. Many of these enterprises were taken over within the last few years. Their construction was of a very permanent sort, and in anticipation of future needs. Some of the cities, too, had to pay exorbitant prices to private companies under the Parliamentary rule for appraisal. And the rates charged by the public undertakings are usually below those of the private companies.

Dr. Meyer has approached this subject from the point of view of the business interests. And they naturally find a great deal of fault with the cities for destroying their most profitable fields of venture. The cities have taken over these industries because they have lost confidence in private management, and themselves desire to enjoy the profits which were passing into private hands. The volume is an elaborate plea for non-interference by government in industries of a monopolistic character. The author ends his treatise with the assertion that public service industries which use the public streets do not differ from ordinary trading and manufacturing ventures, and that the slow development of electric lighting and electric traction in Great Britain is due to the limitations placed by Parliament on the franchises and the greed of the towns. A far more potent influence is the inertia of Great Britain. Her people are slow to move. This is true in politics no less than in industry. In so far as the cities contributed to this retardation, it was due to the fact that Parliament proposed to grant franchises to private companies of forty-two years duration. The cities feared the creation of a private monopoly. This could only be prevented by obtaining the powers themselves. It was the only way to head off the companies. For the cities of Great Britain do not grant their own franchises. This is done at Westminster. The cities, therefore, obtained the powers to undertake the enterprise themselves. And they moved with British caution in doing so. They have been saved many mistakes. But, judging by present indications, the electricity supply of Great Britain will have fully recovered any ground which may have been lost during the next few years.

Dr. Meyer complains bitterly of the policy of the cities, and says that in the matter of "suburbanizing" population they have "shown an indifference to and a disregard of the public health, physical as well

as moral, that for brutality have no parallel in the records of private industry." Complaint is specifically made of the cities of Glasgow, Birmingham, and Manchester.

It is almost incredible that such a sentence could have been written by even the most casual student of the English city. Dr. Meyer blames the cities for the fearful tenement conditions and the zone system of street railway fares. He lays at the door of the town councils the congestion of the English cities. As a matter of fact, no tramways existed in Great Britain prior to the tramway act of 1870. But at that time the British city was a fearfully congested thing. It is generations older than the tramway. For twenty-one years the cities were in the hands of private companies. The private companies adopted the zone system. The people grew familiar with it. The cities inherited the practice from the private companies, and have not seen fit to abandon it. Municipal ownership of the tramways did not begin until Glasgow took over the private lines in 1894. But it is not the English city that is "brutal." It is the landowning class. The English city has no general power of eminent domain. Land, as land, is untaxed. It may be worth hundreds of thousands of pounds an acre and be used as grazing land just outside of the city. It is taxed as grazing land. The cities cannot buy, and Parliament will not permit them to levy local rates upon the land. For local taxes in England are collected from the actual rental received by the landlord. It is this that throttles the English city; that strangles its growth and development; that herds the population into the most fearful tenements of Europe. As a matter of fact, the cities endeavored to use their tram lines to relieve the housing question. But they found that any development into the suburbs merely increased the value of suburban land, which could only be bought on the untaxed landlord's terms. It was this fact that aroused the cities to the organization of the League for the Taxation of Land Values. In the face of these very readily obtainable facts, it is an unmerited reproach on the municipality of Glasgow to impute the terrible housing conditions to the greed of the city's town council in the administration of its tramways.

Further than this, the public tramways and electric lighting plants are, almost without exception, the best in Great Britain. Few, if any, failures have been made. The service is of a superior sort. And the period of their greatest usefulness is just beginning. The public gas, electricity and tramway companies are as progressive as the

private ones. Often their operation cost is lower. They earn larger dividends. Their charges are less. And they have achieved success in the face of the most aggravating supervision by Parliament, many of whose members are interested in the private companies which the cities want to take over.

In so far as the adverse comparison of English to American conditions are true at all, they should not be laid at the door of the towns or of Parliamentary regulation of private industry, any more than the general decay of English agriculture, trade and commerce should be attributed to legislation. The cause is a deeper one. It is all of one whole. It lies in the English character and the fear of change from what is known to what is untried.

This volume was written from the view point of the irritated promoter. It goes further than the Parliamentary committee itself dared go. And it ignores completely the mass of easily available and uncontrovertible testimony of the towns themselves. The truth about slavery could as readily be gotten from the debates of the Southern Confederacy as the truth of municipal ownership from the sources which Dr. Meyer has consulted.

FREDERIC C. HOWE.

The City: The Hope of Democracy. By FREDERICK C. HOWE, Ph.D. (New York: Charles Scribner's Sons. 1906. Pp. 319.)

If one were to amend Dr. Howe's sub-title to read "The Municipal Ownership and Single Tax City: the Hope of Democracy," one would come a little nearer to describing his thesis, which he discusses and develops with skill and ability.

He contends, and with a large measure of truth, that "for the best part of a century we [Americans] have been endeavoring to secure good government by legal [legislative] enactment. We have a childish confidence in paper forms." This was a truer characterization a half dozen years ago than it is now. We are beginning to realize that our tools (laws) must not only be adapted to the work in hand, but must be carefully used by skillful men. The mere purchase of a new set leaves us practically as badly off as we were before. Reformers are very apt to stop with the placing of an act upon the statue books, thinking that that is all that is necessary, whereas their work has only just begun.